

A SURVEY OF THE EDUCATIONAL COSTS

IN HUGHES COUNTY

FROM 1926-1927 TO 1935-1936

OKLAHOMA
AGRICULTURAL AND MECHANICAL COLLEGE
LIBRARY
SEP 24 1938

A SURVEY OF THE EDUCATIONAL COSTS
IN HUGHES COUNTY
FROM 1926-1927 TO 1935-1936

by

JIM J. RAGLAND

Bachelor of Science

East Central State Teachers' College

Ada, Oklahoma

1929

Submitted to the School of Education
Oklahoma Agricultural and Mechanical College
In Partial Fulfillment of the Requirements
For the Degree of
MASTER OF SCIENCE
1938

LIBRARY
OKLAHOMA
AGRICULTURAL AND MECHANICAL COLLEGE
ADA, OKLA

OKLAHOMA
AGRICULTURAL & MECHANICAL COLLEGE
LIBRARY
SEP 24 1938

APPROVED:

J. C. McCannan
In Charge of Research

G. C. Craig
Head of Department

D. B. Whitlock
Dean of the Graduate School

108533

ACKNOWLEDGEMENTS

The writer is indebted to a number of friends for their assistance and encouragement while this study was being made.

Without the assistance of the various county officials in permitting the use of the records in their office, this study could not have been made, and the writer extends his sincere thanks.

The library staff of the Oklahoma Agricultural and Mechanical College has been most courteous and helpful in helping to find the materials available.

To Drs. Muerman and Pruett the writer is deeply indebted for their constructive criticism, patience, and many kindnesses which have been extended, and for which the writer is deeply grateful.

Acknowledgement is made to Miss Cecile Nix, deputy in the County Superintendent's office and especially to Mrs. Ragland. Their help has been appreciated, their suggestions an inspiration in this work.

J. J. R.

TABLE OF CONTENTS

| | |
|--|-----------|
| INTRODUCTION | Page 1 |
| (1) Physical Characteristics, (2) Historical Background, (3) Industries of the County, (4) Types and Number of Districts, (5) Corporations and Their Relationship to the Wealth of the County, (6) Problem. | |
| CHAPTER I - VALUATIONS OF DISTRICTS | 6 |
| (a) Ability of districts expressed in types of Valuations, (1) Personal Property, (2) Real Estate, (3) Corporation. | |
| (b) General Trend of the Valuations and the Result upon the Ability of the Districts. | |
| (c) Assessed Valuation Per Child in Hughes County Compared with the State. | |
| (d) Effort made by the Districts in Terms of the Levies made, (1) Average Levy used. | |
| (e) Result of the Effort made by Districts, (1) Percent of Total Budget coming from Ad Valorem Taxes as a Result of the Levy made. | |
| CHAPTER II - INSTRUCTIONAL EXPENDITURES | 15 |
| (a) Number of Pupils Per Teacher, (b) Total Amount Spent for Library and Instructional Supplies, (c) Number of Teachers Employed, (d) Average Teachers' Salaries, (e) Average Expenditure Per Teacher. | |
| CHAPTER III - MAINTENANCE EXPENDITURES | 25 |
| (a) Items to be Considered as Maintenance, (1) Janitors' Salaries and Supplies, (2) Lights, Power, Fuel and Water, (3) Maintenance of Buildings and Grounds, (4) Repair and Replacement of Furniture and Fixtures, (5) Insurance, and (6) Miscellaneous. | |
| (b) Comparison of the Expenditures for the above Items and Their Percentages with a Well Balanced Budget. | |

TABLE OF CONTENTS

| | |
|---|------------|
| CHAPTER IV - TRANSPORTATION | Page 38 |
| (a) Number of Pupils Transported, (b) Districts Furnishing Transportation, (c) Method of Providing Transportation, (d) Number of Drivers, (e) Average Salary of Drivers, (f) Number of Miles Traveled Daily by each Bus, (g) Cost Per Bus-Mile, and (h) Cost Per Pupil. | |
| CHAPTER V - CAPITAL OUTLAY | 51 |
| (a) Methods Used in Securing Revenue for the Construction of Buildings, (b) Present Value of Buildings and Equipment, (c) Annual Expenditure from Sinking Fund, (d) Types of Bonds Issued, (e) Building Funds, and (g) Per Capita Cost of Sinking Fund Compared with the Per Capita Cost of General Fund. | |
| CHAPTER VI - SUMMARY | 58 |
| BIBLIOGRAPHY | 62 |

LIST OF TABLES

1. Assessed Valuations of Consolidated and Other Dependent Districts.
2. Assessed Valuation Per Child in Dependent Districts of Hughes County Compared with the State.
3. Percent of Total Budget Coming From Ad Valorem Taxes.
4. Homestead Exemptions in Hughes County, 1937-38.
5. Number of Pupils in Average Daily Attendance Per Teacher.
6. Average Teachers' Salary and Number of Teachers in Consolidated and Other Dependent Districts of Hughes County.
7. Average Cost Per Pupil in the Consolidated and Other Dependent Districts.
8. Average Expenditure Per Teacher in the Consolidated and Other Dependent Districts.
9. General Maintenance Expenditures for Consolidated and Other Dependent Districts.
10. General Maintenance (Continued)
11. Miscellaneous Costs: Enumeration, Rent, Repair and Replacement of Equipment, and Sundry Items.
12. Permanent Improvements From General Fund Account.
13. Instructional Costs Other Than Teachers' Salaries in the Consolidated and Other Dependent Districts.
14. Number of Miles Traveled; Days in Session; Average Annual Salary; Total Expenditure; Cost Per Bus-mile, and the Per Capita Cost.
15. Number of Drivers; Distance Traveled Daily; No. of Trips; No. Pupils Transported; No. Per Bus, and No. of Stops Made by Each Bus.
16. Road Conditions, Showing the Number of Miles Traveled Over Types of Soils; Topography, and Improvements.
17. Number of Miles Pupils are Transported Daily.
18. Number of Pupils Walking the Following Distances to the Bus.

LIST OF TABLES

19. Time Pupils Board Bus.
20. Number of Pupils Living in Districts the Following Distance from School.
21. Expenditures from Sinking Fund for Interest on Bonds, Annual Accruals, and Commission to Fiscal Agency.
22. Per Capita Expenditure from Sinking Fund based on the Enrollment.

INTRODUCTION

Hughes County, a typical county of East Central Oklahoma, is located approximately ninety miles southeast of Oklahoma City, the capital of the state.

Along with her neighbors on the west and southwest, Seminole and Pontotoc counties, Hughes County contains some of the roughest land of the Sandstone Region of Oklahoma. The surface is rough, having many sandstone hills, wooded lands, and rocks. There are several acres of good prairie farming land to be found. In the valleys of the North and South Canadian Rivers, very fertile soil is found, suitable for growing crops of all kinds. On the whole most of the land is suitable for farming.

In the southern part of the county, tributaries of the Red River flow southward, adding another watershed to those formed by the Canadians. This area is rough, being broken by these streams. It is in this part of the county where most of the native grass is used for grazing and the hay it produces.

The county has an area of 790 square miles of land surface, and only 12 square miles of water area. Only one of the counties bordering Hughes has an area larger, this being Pittsburg.

Road conditions are improving after several years of neglect. This neglect was not due to the inefficiency of the officials but because funds were not available to maintain them. Naturally the schools were affected, especially those furnishing transportation.

Historical Background

The history of the schools has been given by Joe S. Ross¹ in his study of the development of the schools before and after statehood. It will be of interest to note that Hughes County is a part of the land originally assigned to the Creeks and the Choctaws, the South Canadian River forming the boundary line between the two nations; the area north of the river belonging to the Creek Nation, while the Choctaw Nation was to the south.

The first schools were of the tuition type, many of which were established by the Indians. No record of these early schools have been left except in a few isolated cases where whites were permitted to attend. Subscription schools were established after the white men were permitted to settle. We have a better opportunity to obtain information concerning these schools, some records having been preserved.

The county, being a part of the Indian lands, has brought a number of the Indian children into the schools, and as a result the Federal Government has contributed to the support of the different schools. This year (1936-37), the schools received fifteen cents per day for total attendance of all Indian children during the first semester. Only six cents per day was received for attendance the last semester. No attempt will be made to show the amount of revenue derived from this source, because this study is concerned with the costs and not the types of revenue.

¹ Joe S. Ross, The Development of Education in Hughes County, 1935. An unpublished Master's thesis, Library, A. & M. College, Stillwater.

Industries of the County

Farming is the basic industry of the County. In some sections of the county many prosperous farming communities are apparent to the visitor because of the comfortable homes, neat lawns, and fertile farms. Such a picture is not typical of the tenant farmer. The Federal Farm Census (1935), shows that 86% of the 3,810 farm families in Hughes County are tenants. This condition presents another picture of the great majority of the farmers. Most of the farms are poorly equipped, houses in a 'run down' condition, and land that will scarcely produce a living. No school can progress and grow with such conditions existing. The patrons have little interest in the school or the community, knowing that they will be moving to some other community in December, January, or the first part of February.

Home ownership, has been suggested as a means of meeting the tenancy problem. The last session of the Legislature took cognizance of this question and vitalized the Homestead Amendment voted by the people. Just what Homestead Exemption will do to bring about home ownership, remains to be seen. The number of persons making application for homestead exemption and the result upon the assessed valuations of the different districts will be discussed in another topic.

Types and Number of Districts

The schools are divided into two general classifications as to organization, for this study. Only the dependent districts will be considered. These districts will be used to make comparisons as to costs. These two classifications will

be designated as Consolidated and Other Dependent Districts. In the first classification, there are seven districts at the time of this study, and in the second, thirty-nine districts. The districts represent the larger and smaller types of school organizations in the rural communities.

Corporations and Their Relationship to Wealth of the County

In some counties of the state, corporation valuation is the chief source of wealth to the schools. Such a county is Seminole. Before the development of oil fields, this county was dependent upon the same types of valuations as Hughes County. Their wealth has come from the development of a huge oil field. This has brought refineries, pipe lines, pump stations, and many other improvements which has increased their valuations far above what it was before the oil development. Not all counties are so fortunate, such as Hughes. At the present time some oil is being produced and the prospects are looking better for an increase in wealth for the schools from this source. Only a few districts are receiving benefits, because what improvements have been made are confined to such a few districts. The gross production tax has helped all districts, being distributed on a per capita attendance basis. This year's collections will double the amount estimated in last year's financial statement. If this development continues, more of the schools will receive benefits because of increased valuations.

Before the oil development, railroads formed the chief item of corporation valuation. They still are the major part

of the corporation assessment. Four railroads cross the county adding wealth to the districts which they cross. Only three affect the valuations of the dependent districts. Of the approximate 100 miles of railroad, the K. O. & G. has the most mileage, having approximately 41 miles. However, the assessed valuation per mile is not as much, because of poor improvements. The 'Frisco' and Rock Island, 30 and 26 miles, respectively, are trunk lines of these two systems. These three railroads give twenty-five districts additional valuations, twenty-one of which are dependent districts. Only one of the consolidated districts is not touched by a railroad. This district has no corporate property of any kind.

Problem

The study which follows, is concerned with the expenditures for the operation of the schools, and an effort will be made to determine the trend in educational costs, by comparing the costs in the Consolidated Districts with the smaller units. Data and facts will be presented that can be used as evidence to prove the value of larger units of administration and organization.

Chapter I

VALUATIONS OF DISTRICTS

The ability of a district in Oklahoma, to finance its program of education, is based largely upon the assessed valuation of the property. The properties used in this study are: personal, corporate, and real estate. The assessments usually considered as personal are: household possessions, money, valuables, merchandise, etc. Some corporations list a part of their equipment as personal property. Real estate is land and the improvements made by the owner, and in Hughes County, forms the largest item of the total valuation. Corporate property is property owned by companies operating as a public utility. Railroads, gasoline plants, pipe lines, telephone lines, and power lines are a few of the many types of corporate properties. This type of property forms the second largest item of valuation, personal being the smallest.

The total valuations in the types of districts, which are divided into Consolidated and Other Dependent Districts, have decreased since the beginning of the depression. In 1930 the valuation had reached their highest point in both the Consolidated and Other Dependent Districts. The valuation in the Consolidated Districts, as shown in Table I, was almost 33 1/3% more in 1930 than in 1928. This increase was caused by the formation of a new consolidated district, and a gradual increase in property valuations. This table shows an increase in valuations from 1926 to 1930, but after this year, shows a result of the period which took a heavy toll upon the ability

TABLE I

ASSESSED VALUATIONS
OF CONSOLIDATED AND OTHER DEPENDENT DISTRICTS

| | Consolidated Schools | | | | Other Dependent Districts | | | |
|---------|----------------------|-------------|-------------|-----------|---------------------------|-------------|-------------|------------|
| | Personal | Real Estate | Corporation | Total | Personal | Real Estate | Corporation | Total |
| 1926-27 | 167,766 | 1,443,531 | 595,655 | 2,196,952 | 593,658 | 3,324,928 | 2,033,705 | 5,952,291 |
| 1928-29 | 117,930 | 1,351,979 | 602,774 | 2,072,733 | 629,732 | 3,255,975 | 2,386,477 | 6,272,184 |
| 1930-31 | 97,849 | 1,327,700 | 632,781 | 2,058,330 | 391,074 | 3,337,918 | 2,478,023 | 6,207,015* |
| 1932-33 | 41,225 | 1,017,976 | 831,288 | 1,890,489 | 201,109 | 1,913,062 | 1,817,643 | 3,265,768* |
| 1934-35 | 70,004 | 1,008,578 | 772,329 | 1,868,923 | 270,638 | 1,550,957 | 1,453,151 | 3,274,746 |

*The abstract in the County Assessor's office was not clear and these divisions are subject to error.

of the districts to support themselves. This does not mean that they were able to support themselves before, but does mean they were less able after this period. By 1932 valuations had decreased almost 50%. This was caused by a flat 25% reduction made on real estate by the State Equalization Board,¹ and the reduction which was made by the County Assessor. Personal assessments decreased as conditions became worse. Naturally corporations demanded and received a sizeable reduction in their assessments. By 1934, the valuations began a slow ascent. This was caused by a 5% raise on real estate by the State Equalization Board, and increased oil activity in the county. Very little difference will be noted in the 1935 valuations.

Table II shows the assessed valuation per child in the Consolidated and Other Dependent Districts of the county for the years studied. Information for the average of the state was not available for three of the six years used, but the four years given show the general average of the state.² In only two years did the Consolidated Schools have a greater assessed valuation per child than the Other Dependent Districts. The enumeration increasing or decreasing in the respective divisions would cause some change. The average assessed valuation per child of the state, the four years shown in Table II, was \$1994; for the Consolidated Schools

1 Personal interview with County Assessor of Hughes County.

2 Biennial Reports of the State Superintendent, 13th, 14th and 15th.

TABLE II
 ASSESSED VALUATION PER CHILD
 IN DEPENDENT DISTRICTS OF HUGHES COUNTY
 COMPARED WITH THE STATE

| Years | Consolidated Schools | Other Dependent Districts | State |
|-------------------------|----------------------|---------------------------|---------------------|
| 1926-27 | \$1460 | \$1314 | --- |
| 1928-29 | 1266 | 1577 | \$2442 ¹ |
| 1930-31 | 1317 | 1753 | 2278 ² |
| 1932-33 | 901 | 841 | 1617 ³ |
| 1934-35 | 862 | 945 | 1641 ⁴ |
| 1935-36 | 905 | 970 | --- |
| Average | 1118 | 1233 | 1994 |
| 1 13th Biennial Report, | p. 235, | Table 133, for | 1929-30 |
| 2 14th " " | p. 194, | " " | 1931-32 |
| 3 15th " " | p. 257, | " " | 1933-34 |
| 4 16th " " | p. 258, | " " | |

\$1118, and for the Other Dependent Districts \$1233. From this we see that the county was far below the average of the state, and as a result has had to depend more and more upon other resources.

The ability of a district to operate its schools has nothing to do with the amount of money needed unless the district makes the necessary effort to provide the minimum program it desires. If a district has the ability and makes the necessary effort, a well-financed program is the result. The effort of a district is shown by the levy voted by the people. Prior to the constitutional amendment adopted by the people in 1932, the districts were guaranteed five mills in addition to the number voted by the people. Since that time the districts are dependent upon the County Excise Boards for any millage above the amount voted. This board has arbitrary power to give the schools one or more mills up to the number needed by the county and city governments. The Excise Board in Hughes County, has always allocated five mills for the use of the schools. Table III shows the average levy made by the districts. In every year the Consolidated Schools have used fifteen mills. Tax reduction items were used to reduce the levies where less than fifteen mills is shown. The sales tax and income tax were abolishing levies in some of the poorer districts of Oklahoma. Since 1935, these taxes have gone to the general fund of the state, and as a result levies are increasing. Not all the Other Dependent Districts have had to use the maximum levy, however their levies were reduced proportionately by these tax reduction items. The average levy

TABLE III

PERCENT OF TOTAL BUDGET
COMING FROM AD VALOREM TAXES

| Years | Consolidated Schools | | | | Other Dependent Districts | | | |
|---------|----------------------|-----------------|---------------|----------------------|---------------------------|-----------------|--------------|----------------------|
| | Total Budget | Ad Val- orem | Levy Mills | Percent of Budget | Total Budget | Ad Val- orem | Mill Levy | Percent of Budget |
| 1926-27 | \$54,081 | 30,095 | 15 | 55.6% | \$123,764 | 79,190 | 14.4 | 63.9% |
| 1928-29 | 66,432 | 32,783 | 15 | 49.3% | 136,920 | 80,059 | 14.2 | 58.4% |
| 1930-31 | 74,102 | 41,021 | 15 | 55.3% | 99,192 | 64,297 | 14.8 | 64.8% |
| 1932-33 | 61,404 | 23,717 | 13.8 | 38.6% | 75,007 | 35,605 | 13.7 | 47.4% |
| 1934-35 | 70,073 | 17,331 | 10.3 | 24.7% | 70,650 | 26,126 | 8.8 | 36.9% |
| 1935-36 | 83,091 | 20,728 | 12.2 | 24.9% | 79,680 | 32,152 | 10.8 | 40.3% |

in the Consolidated Schools is higher, being 13.5 mills, compared with 12.7 mills in the Other Dependent Districts. Further emphasizing the lack of districts having sufficient valuations to provide a minimum program, is a statement made by the Department of Education in a bulletin issued in 1935:³

"The amount of taxes levied by the various school districts of our state varies from zero to the Constitutional limit of fifteen mills, the amount of money that can be raised by taxation varies from \$4.00 per child to \$490.00"

Table III also shows that the Other Dependent Districts secured more of their total budget from ad valorem taxes than did the Consolidated Schools. It is interesting to note that a very large percentage of the total budget came from sources other than ad valorem. This table shows that the districts have become more and more dependent upon the state to provide a full term of school. The Homestead Exemption Law which was passed by the last Legislature will further reduce the ability of the district to support their schools. Table IV shows that the real estate valuation was reduced 17.7%⁴ in the Consolidated Districts, and only 14.4% in the Other Dependent Districts. The number of homesteads in the Consolidated Districts was greater than in the Other Dependent Districts. This would indicate that people prefer the advantages offered by the Consolidated Districts, to the advantages offered by the smaller units. Few studies have been made showing

3 Oklahoma's Plan to Reorganize, Refinance, and Redeem Its Public Schools, State Department of Education, 1935.

4 County Assessor's Abstract of Homesteads, Hughes County, 1937.

TABLE IV

HOMESTEAD EXEMPTIONS
IN
HUGHES COUNTY
1937-1938.

| Districts | No. of Homesteads | Amount of Homestead Allowed | Total Real Estate Valu- ation | Percent of Total Real Estate |
|-----------------------------------|----------------------|-----------------------------------|-------------------------------------|------------------------------------|
| Consolidated Schools | 329 | 169,077 | 954,897 | 17.7% |
| Other De- pendent Districts | 276 | 204,563 | 1,404,300 | 14.4% |
| Total | 605 | 373,640 | 2,359,197 | 15.9% |

the correlation of the achievement in the Consolidated Schools to the achievement in the smaller nits. The number of homesteads indicates a preference for the consolidated schools by the number of persons owning their homes, and could be used as an argument for consolidation.

This lack of ability is not caused by unequal assessments. A survey made by the Oklahoma Tax Commission shows that the assessed valuation of the state is 54.4% of the sales value of the property.⁵ The percentage of Hughes County, as shown by the survey, is 51.38 or only 3.06% lower than the average of the state. The lowest county in the state was Harmon, having a percentage of 39.79. Johnston County had the highest percentage being 70.62.

⁵ Survey Made by the Oklahoma Tax Commission, 1936, Map of Oklahoma showing the Ratio of Sales Value to the Assessed Value.

Chapter II

INSTRUCTIONAL COSTS

The cost of instruction will be determined by the amount spent for teachers' salaries and supplies which are used for instructional purposes. A comparison of the costs will be made to determine what the districts have done to add materials for the teachers to use.

The cost of instruction is the largest item of the budget. Moehlman¹ points out that the instructional costs are made up by divisions: (1) supervision and (2) instruction. Inasmuch as all the supervision is left to the County Superintendents in most of the counties, only the second division will be considered. Moehlman says:

"This includes a statement of all items of expense concerned directly in actual teaching of children, or improving the quality of teaching, such as salaries, expense of teacher's institutes, cost of text books, school library books, stationery, and other supplies used in instruction."

Using this classification, instructional costs in the Consolidated Districts have been compared with instructional costs in the Other Dependent Districts. No information could be obtained from the State Department of Education as to the cost for the State. However, from a survey made by Almack and Bursch,² it was found that teachers' salaries form 67.5% of the total budget. From this a comparison can be made as to the amount spent for teachers' salaries.

1 Arthur B. Moehlman, Public School Finance, p. 1927

2 Almack and Bursch, The Administration of Village and Consolidated Schools, p. 43, 1925.

The number of pupils per teacher affects the expenditure per pupil.

Table V shows that the average number of pupils per teacher for the six years used in this study was 27 in the Consolidated Districts, compared with 20.9 pupils per teacher in the Other Dependent Districts. The Biennial Survey made by the United States Bureau of Education,³ shows that the rural schools of the United States had 27.5 pupils per teacher, based on the enrollment. This survey also showed that each teacher in the rural schools of Oklahoma had 34.1 pupils based on the enrollment. No information was given as to the number of pupils in average daily attendance per teacher so it was necessary to determine the number of pupils enrolled per teacher for the Consolidated Districts and Other Dependent Districts. It was found that the Consolidated Schools had an average of 39 pupils enrolled per teacher while the Other Dependent Districts had only 35. Comparing these figures with those for the state and nation, we can make the observation that the teachers in the schools of Hughes County, used in this study, have too many pupils.

Teachers' salaries have shown the result of the depression. In fact, this was the item which received the largest reduction when it became necessary to reduce the expenditures. Table VI shows the average salary paid for the six years used. For the first four years the Other Dependent Districts paid more to the teachers than did the Consolidated Districts. This was

³ Statistics of State School Systems Bulletin, 1933, No. 2, United States Department of Interior, Table 41, p. 105

TABLE V
NUMBER OF PUPILS
IN AVERAGE DAILY ATTENDANCE PER TEACHER

| Years | Consolidated Districts | | | Other Dependent Districts | | |
|---------|------------------------|--------|---------|---------------------------|--------|---------|
| | No. | * | Pupils | No. | * | Pupils |
| | of | A.D.A. | Per | of | A.D.A. | Per |
| | Teachers | | Teacher | Teachers | | Teacher |
| 1926-27 | 36 | 1180 | 32.7 | 112 | 2165 | 19.3 |
| 1928-29 | 47 | 1000 | 21.2 | 106 | 2139 | 20.1 |
| 1930-31 | 54 | 1436 | 26.6 | 81 | 1785 | 22 |
| 1932-33 | 56 | 1555 | 27.7 | 81 | 1872 | 23.1 |
| 1934-35 | 57 | 1497 | 26.2 | 79 | 1622 | 20.5 |
| 1935-36 | 54 | 1510 | 27.9 | 78 | 1609 | 20.6 |
| Average | 51 | 1363 | 27.1 | 89.5 | 1866 | 20.9 |

* Average Daily Attendance

TABLE VI

AVERAGE TEACHER SALARY
AND NUMBER OF TEACHERS IN CONSOLIDATED
AND OTHER DEPENDENT DISTRICTS OF HUGHES COUNTY

| Years | Consolidated Schools | | Other Dependent Districts | |
|----------|----------------------|---------------------|---------------------------|---------------------|
| | No. of Teachers | Average Salary Paid | No. of Teachers | Average Salary Paid |
| 1926-27 | 36 | \$845.95 | 112 | \$901.05 |
| *1928-29 | 47 | 919.74 | 106 | 968.28 |
| 1930-31 | 54 | 864.26 | 81 | 935.51 |
| 1932-33 | 56 | 696.94 | 81 | 790.27 |
| 1934-35 | 57 | 803.42 | 79 | 742.88 |
| 1935-36 | 54 | 920.64 | 78 | 802.54 |
| Average | 50.6 | 841.83 | 90 | 856.69 |

* Stuart, an independent district, was shown as a dependent district.

caused by shorter terms in these districts, no recognition of qualifications, and because the Other Dependent Districts were not all so dependent upon other sources of revenue, while considering salaries, Hughes County's are approximately 12% lower than the average of state and nation as shown by the survey of the Bureau of Education⁴ for 1931-32. The average of the nation for this year was \$930, and for Oklahoma \$955. Considering these facts, Hughes County teachers are receiving less than they should when only the average salary is considered. Other factors being considered, some may be paid too much.

As pointed out in a preceding paragraph, expenditures for library books and instructional supplies, are considered a part of instructional costs. It will be noted from Table XIII that these expenditures form a very small part of the total expenditures. The average expenditure per pupil, in average daily attendance, for the Consolidated Schools for the six years was \$1.15 compared with \$1.69 for the Other Dependent Districts. From a survey made by the United States Bureau of Education in 1930,⁵ it was found that the expenditure per child in average daily attendance was \$3.17 for the average of the school reporting from the 48 states and the District of Columbia. From a comparative standpoint, the schools in Hughes County are far below the average of the nation. This

4 Statistics of State School Systems, Bulletin 1933, No. 2, United States Department of Interior, Table 43, pp. 107-108.

5 Biennial Survey of Education, 1931, Vol. II, Table J, p. 27.

survey shows that this part of the cost of instruction was 3.6% of the total current expense. The other dependent districts show that these instructional costs were 3.2% of their average total budget for the six year period, while the Consolidated Schools showed a percentage of 2.3%. This same survey shows that the per capita cost based on the average daily attendance for the United States in 1930, was \$86.70. Contrast this with the per capita costs shown in Table VII for the Consolidated and Other Dependent Districts. The average is \$52 and \$56 respectively, the Other Dependent Districts spending \$4 more per pupil than the Consolidated Districts. This table also pictures the depression. Note the abrupt fall in 1932-33, when compared with 1930-31. The last year of the study shows the result of House Bill 212 in increasing the amount spent per capita. Further emphasizing the small amount spent per pupil, is another survey made by the United States Bureau of Education,⁶ showing the amount spent per pupil in average daily attendance was: United States, \$81.36; for city systems, \$108.93, and for the rural areas, \$64.39. The 1937 edition of the Worlds Almanac,⁷ shows the expenditure per pupil cost in some of the large cities of the United States which are: Yonkers, \$126.87; San Francisco, \$86.59; Milwaukee, \$75.53; Tulsa, \$57.79; Oklahoma City, \$46.81, and El Paso, \$36.20.

⁶ Ibid., Table G, p. 36.

⁷ Worlds Almanac, 1937, p. 376.

TABLE VII

AVERAGE COST PER PUPIL
IN THE CONSOLIDATED AND OTHER DEPENDENT
DISTRICTS OF HUGHES COUNTY

| | Consolidated Schools | | | | Other Dependent Districts | | | |
|---------|----------------------|--------|---------|--------|---------------------------|--------|---------|--------|
| | Average | Per | Enroll- | Per | Average | Per | Enroll- | Per |
| | Daily | Capita | ment | Capita | Daily | Capita | ment | Capita |
| | Attend. | Cost | | Cost | Attend. | Cost | | Cost |
| 1926-27 | 1180 | \$46 | 1581 | \$34 | 2165 | \$57 | 4167 | \$30 |
| 1928-29 | 1000 | 66 | 1786 | 38 | 2139 | 64 | 3709 | 37 |
| 1930-31 | 1436 | 52 | 1967 | 38 | 1785 | 56 | 2779 | 36 |
| 1932-33 | 1555 | 39 | 2247 | 27 | 1872 | 40 | 2903 | 26 |
| 1934-35 | 1497 | 47 | 2126 | 33 | 1622 | 44 | 2667 | 30 |
| 1935-36 | 1510 | 55 | 2166 | 38 | 1609 | 50 | 2581 | 30 |
| Average | 1363 | 51 | 1977 | 35 | 1866 | 52 | 3134 | 32 |

These facts definitely point to the fact that the schools of Hughes County are badly in need of additional funds.

Table VII makes a comparison of the per capita cost based on the enrollment and average daily attendance. These comparisons show that both groups have too great a difference between the number enrolled and the average daily attendance. It will be noted that the Consolidated Schools show a tendency to keep more of the children in school than do the other dependent districts. Several factors are responsible for this. First, less moving from place to place is done in the larger units; second, perhaps the people are more responsive to the needs of the child.

The percentage of the total budget, which the cost of teachers' salaries should be, as shown by Almack and Bursch⁸ was between 63% and 73%. The average for the Consolidated Schools was 62.9%, and in the Other Dependent Districts 80%. The reason for the smaller schools showing a larger percentage is due to a small operating cost, most of the total budget being used to pay teachers' salaries. This is another reason why the teachers received more on the average than those in the Consolidated Schools.

Table VIII shows the expenditure per teacher in the Consolidated Schools compared with the Other Dependent Districts. In every year, the cost is more in the Consolidated Schools than the other groups, which is exactly the reverse from the per capita cost. Moehlman⁹ points out that the cost on the

⁸ Ibid., p. 42.

⁹ Ibid., p. 70.

TABLE VIII
AVERAGE EXPENDITURE PER
TEACHER IN THE CONSOLIDATED AND OTHER
DEPENDENT DISTRICTS

| Years | Consolidated Schools | | Other Dependent Districts | |
|---------|----------------------|-------------|---------------------------|-------------|
| | Number of | Expenditure | Number of | Expenditure |
| | Teachers | Per Teacher | Teachers | Per Teacher |
| | : | : | : | : |
| 1926-27 | 36 | \$1502 | 112 | \$1105 |
| 1928-29 | 47 | 1413 | 106 | 1291 |
| 1930-31 | 54 | 1372 | 81 | 1225 |
| 1932-33 | 56 | 1097 | 81 | 926 |
| 1934-35 | 57 | 1229 | 79 | 1255 |
| 1935-36 | 54 | 1538 | 78 | 1021 |
| Average | 51 | 1325 | 90 | 1136 |

basis of average daily attendance is the one now quite generally used. This being true the amount spent per teacher does not show the true cost of the schools. The average amount spent per teacher from the General Fund in dependent districts of Oklahoma in 1932-33, was \$915.98.¹⁰ For the same year, the expenditure per teacher in the Consolidated Schools was \$1097, while \$926 was spent by the Other Dependent Districts.

¹⁰ 15th Biennial Report, p. 19, Table 6.

Chapter III

GENERAL MAINTENANCE

The term general maintenance, has been given a broad meaning in Oklahoma. The State Department of Education defines this as all the items of the budget except teachers' salaries and transportation. This includes expenditures for instructional supplies and library books. These items have been discussed as a part of the instructional costs and will not be considered as a part of General Maintenance. The items to be considered are: janitors' salaries and supplies, lights, power, fuel, and water, maintenance of buildings and grounds, repair and replacement of furniture and fixtures, insurance, and miscellaneous. Under miscellaneous items will be the expenditures for office supplies, audit, enumeration, rent, and capital outlay from the general fund.

Very little basis for comparison is available, and what could be found could not be used as a criteria because the types of schools were different from those used in this study. Data concerning the per capita expenditure was shown in the Biennial Survey of 1930.¹ For plant operation, the average expenditure per pupil for the United States was \$10.16; maintenance, \$3.71, auxiliary agencies, \$4.80, and fixed charges, \$2.36. Almack and Bursch classifies janitors' salaries and supplies, lights, power, fuel and water as operative costs.²

¹ Biennial Survey of Education, 1931, Vol. II, Table I, p. 27.

² Ibid., p. 45.

Making this classification for the expenditures in the grouping of schools used in this study, and for making comparisons with the data given above, it was found that the average expenditure per pupil in the Consolidated Schools was \$2.68 for the average of the six years studied. The Other Dependent Districts spent less per pupil than did the consolidated districts, spending \$2.10.

Tables IX and X show the expenditure for the operation costs. Every year the Other Dependent Districts spent more than the Consolidated Districts except the first year. The cost of heating consists largely for the payment of fuel, while the Consolidated Districts use either coal or gas. Only one of these schools use wood for fuel, while only 7 of the 39 other dependent districts uses gas. No study has been made for the schools of Oklahoma, as to the type of fuel east expensive.

The expenditures for janitors' salaries and supplies during the years 1926-27 and 1928-29, were listed under Sundry Expenses, and are not shown for these years in Table X. Little comment is needed because very few of the small schools employ janitors, the teachers or pupils usually doing what is necessary. The consolidated schools employ a janitor during the time school is in session. There is a tendency to employ them for the full year.

Because of state funds being apportioned for General Maintenance, many conflicting ideas are prevalent concerning what items of expense should be paid for out of the maintenance of building and grounds account. Clerks of districts write warrants

TABLE IX
GENERAL MAINTENANCE EXPENDITURES
FOR CONSOLIDATED AND OTHER DEPENDENT DISTRICTS

| Year | Buildings and Grounds | | Lights, Power, Fuel and Water | |
|---------|-----------------------|-----------------|-------------------------------|-----------------|
| | Consolidated: | Other Dependent | Consolidated: | Other Dependent |
| | Schools | Districts | Schools | Districts |
| 1926-27 | 950.00 | 5244.00 | 2441.00 | 500.00 |
| 1928-29 | 2295.00 | 10208.00 | 2299.00 | 6582.00 |
| 1930-31 | 443.11 | 3482.00 | 896.00 | 3754.00 |
| 1932-33 | 856.41 | 1232.06 | 1011.89 | 2311.03 |
| 1934-35 | 2907.66 | 4830.42 | 1286.07 | 1744.68 |
| 1935-36 | 3523.25 | 7716.10 | 1369.84 | 2742.23 |
| Average | 1796.00 | 5452.00 | 1551.00 | 2939.00 |

TABLE X
GENERAL MAINTENANCE
(Continued)

| Years | Insurance | | Janitors' Salaries and Supplies | |
|----------|-------------------------|--------------------------------|---------------------------------|------------------------------|
| | Consolidated Schools | Other Depend- ent Districts | Consolidated Districts | Other Dependent Districts |
| 1926-27* | | | | |
| 1928-29* | | | | |
| 1930-31 | 1082.00 | 2175.00 | 2388.00 | 1284.00 |
| 1932-33 | 944.58 | 2134.96 | 2193.24 | 781.56 |
| 1934-35 | 929.75 | 1667.11 | 1873.39 | 973.62 |
| 1935-36 | 1085.52 | 1579.12 | 2380.18 | 922.63 |

* Does not appear as an item in the County Superintendent's Report or the estimate.

for every legal expenditure, expecting the County Treasurer to register them as maintenance. These may be in payment for library supplies, fuel, janitors' supplies or any other items of the budget considered in this chapter. It is true that these warrants should be drawn against the proper accounts, but many errors were found when making the County Superintendent's Annual Reports. For the last four years, or the last two considered in this study, the expenditures have been classified in keeping with the suggestions made in Bulletin No. 135³ wherein the State Department of Education has attempted to establish a uniform system for classifying expenditures. The expenditures used in this study were taken from the County Superintendent's Annual Reports. Another difficulty encountered in classifying the expenditures was the changes made in the forms of the county superintendent's reports. Checking the budgets filed with the County Clerk, it was found that the same conditions existed there. The tables in this chapter are as nearly correct as to classification as could be determined.

For the six years, the Consolidated Schools spent \$10,775.43, or an average expenditure per year of \$1,796. In 1930-31, the expenditures fell to \$443.11 which was only 25% of the average expenditure. During the school year 1935-36, \$3,523.25 was spent, which was twice the amount for the average of the six years and eight times the amount spent in 1930-31. This was

3 A Uniform Financial Procedure for General Fund Expenditures for Oklahoma Schools, No. 135, 1933.

the average of \$503 for each of the Consolidated Districts. This was due to an increased allowance by the state under the provisions of House Bill 212, and because of the general conditions of the buildings. Not enough funds were available to make the necessary repairs during the depression. Expenditures in the Other Dependent Districts were more than three times the amount spent by the Consolidated Districts. The total expenditure was \$32,712.58,⁴ or an average of \$5,452 per year. In 1928-29, these districts spent \$10,208. At that, not all the consolidated districts had been formed. This accounts in part, for the large expenditure during this year.

When the number of buildings is considered, the amount spent does not seem so large as compared with the other group of schools. In 1935-36 the Other Dependent Districts had seventy-six buildings which includes thirty-four teachers' homes.⁵ These buildings vary in size from one room to five rooms. The type of building materials used in the construction of the buildings, must be considered when the upkeep is discussed. Most of the buildings are of the frame type and many are poorly constructed. Some are constructed from brick and native stone which does not require the repairs or general upkeep that the buildings of the other districts. The net result of so many buildings is increased cost for maintaining them. Obviously a cheap building in the initial cost, proves to be the most expensive over the period of years which it must be

⁴ County Superintendents' Annual Reports.

⁵ Ibid., 1936.

used. The districts are unable to provide the necessary funds for erecting the types of buildings which are necessary and most desirable. Consider a district having a valuation of \$72,000, needing a building to house eighty-six pupils. 5% of the valuation would make \$3600 available for building and equipping a building to house the number of pupils mentioned above.

Table XII shows a comparison of the expenditures for Repair and Replacement of School Apparatus and Sundry Expenses. Checking the County Treasurer's warrant register, it was found that warrants for practically every item in the budget were charged to Sundry Expense. Homer P. Rainey points out that the National Education Association agreed with the Association of School Accounting officers and the Bureau of Education in Washington, upon a uniform classification of expenditures for school purposes. They divided them as follows: (1) general control, (2) instructional service, (3) operation of school plant, (4) maintenance of school plant, (5) auxiliary agencies, (6) fixed charges, (7) debt service, and (8) capital outlay.⁶ It has been impossible to make the same classification in this study because of not having a uniform system of accounting. Since 1933, these classifications have been more nearly followed because of an effort made by the State Department of Education in Bulletin No. 135,⁷ to define the

6 Homer P. Rainey, Public School Finance, pp. 82-83.

7 Bulletin No. 135, State Department of Education, 1933.

expenditures and to show the classification which should be made. However, since the adoption of the term General Maintenance is used in Bulletin No. 145,⁸ there has been a tendency on the part of the local boards to consider this maintenance of the school plant. So much confusion has been caused by the lack of knowledge on the part of these local boards. The result of such a lack of knowledge has made it very difficult to be exact in classifying expenditures. As nearly as possible, classifications that were shown in the County Superintendent's Annual Reports were used. The table mentioned above shows very clearly the years of the depression, and what additional state support has done to provide adequate revenue. As will be seen, the Other Dependent Districts spent more in 1926-27 and 1928-29, than the Consolidated Districts. In 1926-27, only five consolidated districts had been organized and two districts which operated high schools are included in the smaller units. These two districts are also included in the 1928-29. Since the organization of the seven consolidated districts, the expenditures for the Other Dependent Districts have gradually decreased.

Table X makes a comparison of the costs of premiums for insurance. A lack of proper classification of the expenditures makes it impossible to show the cost of insurance for the first two years of this study. A gradual decrease will be noted. This is due to the natural depreciation of the school property, and the effort of the districts to reduce the cost of insurance. Due to the Other Dependent Districts having more buildings the cost has been greater than in the

TABLE XI

MISCELLANEOUS COSTS: ENUMERATION,
RENT, REPAIR AND REPLACEMENT OF EQUIPMENT,
AND SUNDRY ITEMS

| Years | Consolidated Districts | Other Dependent Districts |
|---------|------------------------|---------------------------|
| 1926-27 | 1441.00 | 3949.00 |
| 1928-29 | 1665.00 | 7696.00 |
| 1930-31 | 26.00 | 20.00 |
| 1932-33 | 71.10 | 737.60 |
| 1934-35 | 284.63 | 556.98 |
| 1935-36 | 1870.15 | 517.28 |

SEP 24 1938
LIBRARY
AGRICULTURAL & MECHANICAL COLLEGE

Consolidated Districts. Then too, the types of buildings in the Consolidated Districts being more nearly fireproof, receive cheaper rates.

A study of the insurance problem in Oklahoma was made by the Department of Superintendence of the Oklahoma Education Association. The writer was unable to secure a copy of the written report made by the committee, but heard an oral report made by Harry D. Simmons,⁹ which showed the tremendous cost of insurance due to a lack of proper administration and because of certain practices being permitted. Definite recommendations were made for legislative action. Probably the only value of the study was to inform the insurance companies that the school people were demanding cheaper insurance rates on school property. This last year school rates have been lowered.

Table XII shows the cost of Permanent Improvements from the current expense account, which has been divided in two classifications, furniture and fixtures, and buildings. Since the beginning of the depression only one item is shown. One of the consolidated districts used \$1,567.69 to match funds with the Federal Government to construct a new auditorium.

The improvements made as represented by the expenditures during the first three years, consisted of purchasing furniture and fixtures for new buildings and replacing old furniture. Expenditures for buildings and sites in the Other Dependent Districts were for the construction of teachers'

⁹ Superintendent of Schools, Wewoka, Oklahoma.

homes for the most part. The \$350 spent in 1928-29 by the Consolidated Districts was for enlarging the present site and not for the purchase of a new site.

TABLE XII
PERMANENT IMPROVEMENTS
FROM GENERAL FUND ACCOUNT

| Years | Furniture and Fixtures | | Buildings and Sites | |
|---------|------------------------|-----------------|---------------------|-----------------|
| | Consolidated | Other Dependent | Consolidated | Other Dependent |
| | Districts | Districts | Districts | Districts |
| 1926-27 | 2743.00 | 4199.00 | --- | 751.00 |
| 1928-29 | 1957.00 | 4554.00 | 350.00 | 2534.00 |
| 1930-31 | 814.32 | 1976.00 | --- | 2028.00 |
| 1932-33 | --- | --- | --- | --- |
| 1934-35 | --- | --- | --- | --- |
| 1935-36 | --- | --- | 1567.69 | --- |

TABLE XIII

INSTRUCTIONAL COSTS OTHER
THAN TEACHERS' SALARIES IN THE
CONSOLIDATED AND OTHER DEPENDENT DISTRICTS

| Years | Instructional Supplies | | Library | |
|---------|---------------------------|------------------------------|---------------------------|------------------------------|
| | Consolidated Districts | Other Dependent Districts | Consolidated Districts | Other Dependent Districts |
| 1926-27 | 1 | | 1246. | 2733. |
| 1928-29 | | | 987. | 2930. |
| 1930-31 | 724. | 2522. | 518.97 | 1119. |
| 1932-33 | 635.62 | 554.42 | 352.29 | 698.74 |
| 1934-35 | 1055.57 | 835.85 | 346.68 | 1152.97 |
| 1935-36 | 952.24 | 2031.83 | 982.04 | 1407.05 |
| Average | 842. | 1486. | 739. | 1673. |

1 -- This item did not appear on the County Superintendent's report.

Chapter IV

TRANSPORTATION COSTS

Due to the Other Dependent Districts furnishing no transportation, no comparison could be made. Therefore it will be necessary to make a comparison of the costs in the Consolidated Districts. In checking the reports made by these districts, it was found that not all districts made reports and in no two years were the reports the same.

The factors which should be considered in trying to determine transportation costs are better shown by a case study. The last year of this study was selected because more data was available from which to present a picture of the problem.

Legal provisions make it impossible for all types of districts to furnish transportation. In the Consolidated Schools, transportation is mandatory. "A Consolidated District School Board may be compelled by mandamus to provide transportation to all pupils entitled to same."¹ This mandatory provision has been expanded further by requiring the boards to furnish transportation for all children living more than one mile from school, and to come within one mile of each child's home.

Such legal provisions as pointed out above and others added by the various laws passed, has made the State Department of Education, responsible for the proper enforcement. This is especially true since the state has been forced to assume

¹ School Laws of Oklahoma, 1935, Court Decision, Welliston Consolidated District No. 1 vs. Mathews, 104 Okla. 185.

the responsibility of financing the schools. This has caused much study and experimentation, in order to determine the most satisfactory method of apportioning funds for transportation.

Bulletin No. 145, State Board of Education,² contains the rules and regulations for determining the amount of transportation allowance for each district. These regulations consider, (1) the average number of pupils per square mile, using the month showing the greatest number of pupils transported, (2) the area of the territory served.

Many other factors could be considered in attempting to analyze transportation costs. Just how much these factors affect the cost of transportation has not been determined. No study has been made which has been accepted as a standard for measuring transportation costs.

In 1936, transportation funds were allocated on a different basis from what the regulations for 1937 provide. No consideration was given to density. A per capita basis was used to determine the allocation. The per capita for transferred pupils was more than the per capita for home children. In 1933, the State attempted to determine the drivers' salaries. The only consideration given was the number of miles traveled. This resulted in a whirl of confusion. The State was asked to make exceptions because of road conditions, number of pupils hauled, topography, and

2 The School Finance Law, House Bill 6, Regulations, Bulletin No. 145, 1937, State Board of Education.

many other conditions.

These many attempts to find a satisfactory way of equitably distributing transportation funds, have resulted in asking the districts to furnish, as nearly as possible, a complete picture of the respective districts. Maps are prepared annually, showing the types of roads, routes, location of pupils' homes, bus stops, etc. Transportation conferences are held annually to approve bus routes to prevent overlapping.

All districts used in this study, contract their transportation. The following tables will show as many of the factors affecting transportation costs, for this method of furnishing transportation, as data was available.

Table XIV shows the number of miles traveled annually; the number of days in the session; the average annual salary; the total expenditure; the cost per bus-mile; and the per capita cost. This data was taken from the transportation reports filed in the County Superintendent's office. A wide variation is noticed in the cost per bus-mile. Four districts spent less than the average while three spent more. The district having the lowest cost per bus-mile had the highest per capita cost. The other districts showed the same per capita costs as per bus-mile, with a few minor variations.

The average per capita cost is more than the per capita used by the State as a basis for apportioning transportation funds. The basis was \$15 per capita based upon the greatest number of pupils transported in any one month. The cost as

TABLE XIV

NUMBER OF MILES TRAVELED;
DAYS IN SESSION; AVERAGE ANNUAL SALARY; TOTAL EXPENDITURE;
COST PER MILE, BUS, AND COST PER PUPIL.

| Districts: | : Total No. : Miles Trav. : Annually | : Days in : Session : | : Average : Annual : Salary | : Total : Expendi- : ture | : Cost per : Bus : Mile | : Per Capita : Cost |
|------------|--|-----------------------------|-----------------------------------|---------------------------------|-------------------------------|------------------------|
| C-1 | 33075 | 175 | 453.48 | 3627.86 | .1096 | 12.38 |
| C-2 | 15980 | 170 | 787.50 | 2362.50 | .1478 | 14.49 |
| C-3 | 12240 | 180 | 722.50 | 1445.00 | .1180 | 15.70 |
| C-4 | 13600 | 170 | 577.50 | 2380.00 | .1750 | 20.33 |
| C-5 | 28896 | 168 | 487.50 | 2437.51 | .0843 | 21.57 |
| C-6 | 14857 | 179 | 720.00 | 2160.00 | .1453 | 18.95 |
| C-7 | 20063 | 177 | 573.00* | 2292.00 | .1142 | 14.69 |
| Totals | 138711 | | 4321.48 | 16,704.87 | .8944 | 118.11 |
| Averages | 19816 | | 618.49 | 2,386.42 | .1277 | 16.88 |

* Includes a car which was used for transportation

shown in the table was based on the average for the year. If the same number of pupils had been used, the cost would have been less than shown by the table. The potential load is given consideration by using the month as a basis rather than the yearly average.

A glance at the drivers' salaries is indicative of the type of equipment used. Two of the districts paid less than \$500 per year. On such a salary basis, it is impossible to secure the type of equipment which is necessary for the health and safety of the children. The cost of operation leaves little for the driver. An all-steel unit is desirable but with salaries so low, it is impossible to secure such units.

Other factors considered in this study are shown in the following tables. Table XV shows the average bus load. Considering the relationship of the bus load to the per capita cost and the number of busses, two of the districts could increase the size of the bus-load, thereby eliminating the necessity of so many drivers. Better transportation equipment could be added.

Table XVI shows the topographical conditions of the districts. Most of the territory served was hilly and level. Only two districts reported mountainous roads. One of these had the second highest per capita cost. Under the heading of "Soil", most of the districts reported hard surfaced or sandy loam. A small amount of gumbo was reported. Some parts of the county have beds of deep sand which is difficult to

TABLE XV

NUMBER OF DRIVERS;
 DISTANCE TRAVELED DAILY; NO. OF TRIPS; NO. PUPILS
 TRANSPORTED; NO. PER BUS, AND NO. OF STOPS MADE BY EACH BUS

| Districts | No. of Drivers | Av. Dist. Travel- ed | No. of Trips Made | No. of Pupils Hauled | Av. No. Per Bus | Average Number of Stops |
|-----------|-------------------|----------------------------|-------------------------|----------------------------|-----------------------|-------------------------------|
| C-1 | 8 | 189 | 8 | 293 | 36.6 | 66 |
| C-2 | 3 | 94 | 4 | 163 | 40.8 | 53 |
| C-3 | 2 | 68 | 3 | 92 | 30.7 | 33 |
| C-4 | 4 | 80 | 4 | 117 | 29.2 | 46 |
| C-5 | 5 | 172 | 5 | 113 | 22.6 | 69 |
| C-6 | 3 | 83 | 3 | 114 | 38 | 42 |
| C-7 | 4 | 119 | 4 | 156 | 44 | 46 |
| Totals | 29 | 805 | 31 | 1048 | 241.9 | 355 |
| Averages | 4.1 | 115 | 4.4 | 121 | 34.5 | 50.7 |

TABLE XVI

ROAD CONDITIONS
SHOWING THE NUMBER OF MILES TRAVELED OVER THE
TYPES OF SOILS; TOPOGRAPHY, AND ROAD IMPROVEMENTS

| Districts | Topography | | | | Soil | | | | Improvement | | | | |
|-----------|------------|-------|------------|-------------|---------------------|------------|-------|--------------------|-------------------|----------|------------------------|-------------------------|-------------|
| | Level | Hilly | Very Hilly | Mountainous | Hard Surfaced Roads | Sandy Loam | Gumbo | White Sand or Clay | Paved or Blacktop | Graveled | Graded State Maintain. | Graded County Maintain. | Un-improved |
| C-1 | 115 | 74 | -- | -- | 77 | 67 | 10 | 35 | 57 | 20 | -- | 112 | -- |
| C-2 | 26 | 20 | -- | -- | 2 | 35 | 5 | 5 | 2 | -- | 2 | 45 | -- |
| C-3 | 28 | 5 | 1 | -- | -- | 28 | 3 | 3 | -- | -- | 3 | 24 | 7 |
| C-4 | 2 | 51 | 14 | 33 | 24 | 26 | 2 | 3 | -- | 24 | -- | 54 | 2 |
| C-5 | 18 | 12 | 6 | -- | 8 | 9 | 11 | 4 | -- | 10 | -- | 5 | 27 |
| C-6 | 59 | 24 | -- | -- | 38 | 32 | 8 | 5 | -- | 42 | 17 | 21 | 3 |
| C-7 | 12 | 33 | 5 | 4 | 7 | 8 | 6 | 36 | 4 | 1 | -- | 58 | 1 |
| Total | 260 | 204 | 26 | 37 | 156 | 205 | 45 | 91 | 63 | 97 | 22 | 319 | 40 |
| Average | 37 | 29 | 3.7 | 5.3 | 22 | 29 | 6.4 | 13 | 9 | 13 | 3 | 46 | 5.7 |

travel, but as a whole, these reports indicate no soil condition that would be considered as a major factor in transportation costs. Road improvement tells another story. Practically all the roads are reported as county maintained and with a part of routes over roads where no improvement had been made. The districts showing the highest per capita cost showed most of the routes as unimproved. However, in checking the number of miles traveled by this district, it was hard to determine the total number of miles traveled. This is probably caused by a part of the route being outside the district.

Table XVII shows the number of miles pupils were transported. The greatest number of children were transported one and one-half miles to five miles. Only two children are reported as riding twelve miles to school. The district making this report has the largest area. The district having the second largest area, reported six miles as the greatest distance any child had to ride.

Table XIX shows the time in the morning the children board the bus. A different picture would probably be shown if the data were available for one of the early years of consolidation, especially when the children were transported in wagons. In 1926-27, one of the districts used in this study (C-4), used wagons for transporting the pupils. One patron reported that it was necessary to accompany the children (during the winter months), using a lantern to find the path leading to the bus route. The wagons were owned by the dis-

trict and the teams were owned by the drivers. Five wagons were used to transport 118 pupils. The salaries ranged from \$39.50 to \$75 per month. The total per capita cost was \$21.63.

Table XVIII shows the distance the children walk to catch the bus. It was pointed out in another paragraph that all the children could not be forced to walk more than one mile. Road conditions make it impossible to come nearer in some instances. Most of the children either board the bus at their homes or walk no more than one-half mile.

Table XX shows the total number of pupils living in the district. Using a radius of four miles and drawing a circle around the school, would inscribe most of the children in the districts.

TABLE XVII
NUMBER OF MILES
PUPILS ARE TRANSPORTED DAILY

| Dis- tricts | 0 | $\frac{1}{2}$ | 1 | $1\frac{1}{2}$ | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 12 | Total |
|----------------|---|---------------|----|----------------|-----|-----|-----|-----|----|-----|-----|----|----|----|-------|
| C-1 | - | - | 22 | 10 | 18 | 62 | 62 | 61 | 40 | 30 | 9 | - | 7 | 2 | 323 |
| C-2 | - | - | 9 | 17 | 35 | 60 | 20 | 12 | 15 | 4 | - | - | - | - | 172 |
| C-3 | - | - | 6 | 41 | 33 | 5 | - | - | - | - | - | - | - | - | 85 |
| C-4 | - | - | 4 | 24 | 13 | 19 | 14 | 14 | 10 | 19 | 13 | 2 | - | - | 142 |
| C-5 | - | - | 3 | 7 | 6 | 54 | 17 | 14 | 18 | - | - | - | - | - | 119 |
| C-6 | - | - | - | 18 | 15 | 25 | 41 | - | - | - | - | - | - | - | 99 |
| C-7 | - | - | 6 | 38 | 35 | 30 | 6 | - | - | - | - | - | - | - | 115 |
| Totals | | | 50 | 155 | 155 | 255 | 160 | 101 | 83 | 53 | 22 | 2 | 7 | 2 | 1045 |
| Averages | | | 7 | 22 | 22 | 36 | 23 | 14 | 12 | 7.6 | 3.1 | .2 | 1 | .2 | 179 |

TABLE XVIII
NUMBER OF PUPILS
WALKING THE FOLLOWING DISTANCES TO BOARD THE BUS

| Dis- tricts | 0 | $\frac{1}{4}$ | $\frac{1}{2}$ | $\frac{3}{4}$ | 1 | $1\frac{1}{2}$ | $1\frac{1}{2}$ | $1\frac{3}{4}$ | 2 or More |
|----------------|-----|---------------|---------------|---------------|----|----------------|----------------|----------------|-----------|
| C-1 | 146 | 79 | 52 | 15 | 21 | 10 | - | - | - |
| C-2 | 112 | 39 | 16 | 5 | - | - | - | - | - |
| C-3 | 60 | 12 | 13 | - | - | - | - | - | - |
| C-4 | 11 | 37 | 39 | 24 | 23 | 1 | 3 | - | 4 |
| C-5 | -- | 54 | 31 | 16 | 12 | 4 | - | - | 2 |
| C-6 | 20 | 15 | 22 | 33 | 25 | 8 | 9 | 3 | - |
| C-7 | -- | 60 | 30 | 21 | 4 | - | - | - | - |
| Totals | 349 | 296 | 203 | 114 | 85 | 23 | 12 | 3 | 6 |
| Average | 50 | 42 | 29 | 16 | 12 | 3 | 2 | .4 | .6 |

TABLE XIX

SHOWING THE TIME CHILDREN GET ON THE BUS A. M.

| Districts | 7:15 | 7:30 | 7:45 | 8:00 | 8:15 | 8:30 | 8:45 | Total |
|-----------|------|------|------|------|------|------|------|-------|
| C-1 | 19 | 41 | 48 | 32 | 66 | 117 | - | 323 |
| C-2 | - | 39 | 43 | 46 | 34 | 14 | - | 172 |
| C-3 | - | - | 6 | 20 | 33 | 10 | 16 | 85 |
| C-4 | 20 | 12 | 39 | 52 | 19 | - | - | 142 |
| C-5 | 14 | 20 | 26 | 21 | 24 | 14 | - | 119 |
| C-6 | - | - | 24 | 42 | 34 | 10 | 25 | 135 |
| C-7 | 6 | 30 | 35 | 38 | 6 | - | - | 115 |
| Totals | 59 | 142 | 221 | 251 | 216 | 165 | 41 | 1091 |
| Average | 6.4 | 20 | 32 | 36 | 31 | 23 | 5.8 | 156 |

TABLE XX
NUMBER OF PUPILS LIVING
IN DISTRICTS THE FOLLOWING DISTANCES FROM SCHOOL

| Dis- tricts | :Less :Than :One :Mile | : 1 | : 1½ | : 2 | : 3 | : 4 | : 5 | : 6 | : 7 | : 8 | : 9 | : Total |
|----------------|---------------------------------|-----|------|-----|-----|-----|-----|-----|-----|-----|-----|---------|
| C-1 | 7 | 20 | 28 | 26 | 76 | 59 | 79 | 40 | 9 | 7 | 2 | 353 |
| C-2 | 15 | 9 | 17 | 35 | 60 | 20 | 12 | 15 | 4 | - | - | 187 |
| C-3 | 49 | 6 | 41 | 33 | 5 | - | - | - | - | - | - | 134 |
| C-4 | 75 | 29 | 16 | 18 | 15 | 19 | 16 | 9 | 6 | 8 | 6 | 217 |
| C-5 | 58 | 3 | 7 | 6 | 54 | 17 | 14 | 18 | - | - | - | 177 |
| C-6 | 53 | 41 | 33 | 30 | 55 | 51 | - | - | - | - | - | 263 |
| C-7 | 152 | 6 | 38 | 35 | 30 | 6 | - | - | - | - | - | 267 |
| Totals 409 | 114 | 180 | 183 | 295 | 172 | 121 | 82 | 19 | 15 | 8 | | 1598 |
| Averages 58 | 16 | 26 | 42 | 25 | 17 | 12 | 12 | 2.7 | 2.1 | 1.1 | | 228 |

Chapter V

CAPITAL OUTLAY

The first four chapters have been concerned with current operating costs, or costs that occur annually, though, varying to meet the need of the school. This chapter will discuss and compare the annual cost of Capital Outlay.

Englehardt and Van Borgeersrode¹ define Capital Outlay, as:

"Capital Outlay is the expenditure of district funds for anything (excluding supplies) which results in an increase in the total amount of property owned by the organization."

From this definition we must classify all purchases of furniture and fixtures, sites, buildings, and other school furniture as Capital Outlay. Moehlman² defines Capital Outlay as expenditures for permanent improvements, which is for the purchase and improvement of land; the development of playgrounds; new buildings and additions to existing buildings; alterations to old buildings; equipment for new buildings and new equipment (not replacement) for old buildings.

The author has made no attempt to show the amount of bonded indebtedness but to make a comparison of the expenditures for accruals to retire bonds and accruals to pay interest on bonds. In current operating costs the amount used was determined by the levy made on the valuation. This would cause the General Fund levy to vary as to the needs of the school

1 Engelhardt and VanBorgeersrode, Accounting Procedure for School Systems, p. 48.

2 Moehlman, op. cit., p. 268.

or as to the levy voted annually. The levy used for the Sinking Fund is not voted upon annually but is determined by the amount needed to pay interest coupons and to retire the bond at a given date as determined when the bond was voted.

The only method of securing revenue for erecting school buildings in Oklahoma is by voting a building fund levy or issuing bonds. Very few districts have used the first method but all districts have used the latter. Morrison says that a bond or bond issue is a particular method of borrowing money or incurring a loan.³ Certain restrictions are made by statute prohibiting districts from incurring indebtedness to exceed 5% of the valuations. Many of the districts voted bonds up to this limitation in 1927 and 1928, and found themselves deeply in debt when the reduction came in 1931, 1932 and 1933. The result of lowering valuations was an increase in the levies made for sinking fund purposes. Few people realized why the tax rate for school purposes was so high. The loss in valuation caused the bonds already voted to exceed the 5% limitation in a number of districts.

Bonds are of four types: (1) the straight long-term bond, (2) the long term (sinking fund), (3) the serial bond, and (4) short period notes.⁴ The serial type of bonds represents the most satisfactory method of borrowing money when a district must erect school buildings or purchase equipment.

3 Morrison, *The Management of School Money*, p. 4.

4 Moehlman, *op. cit.*, p. 218

It is now mandatory in Oklahoma.

Table XXI makes a comparison of the expenditures from the sinking fund. The data shown was taken from the financial statement as shown on the budgets filed in the County Clerk's office and represents the amount levied for and not the amount actually collected. The collection of revenue and financial procedure for sinking funds would be a study of some length and would be a contribution to the people and schools of the County. As will be seen, the amount for interest is greater than the amount levied to retire bonds. There is very little difference in the amount in other dependent districts. The total expenditure for interest for the six years was \$53,975.00 and \$59,112.00, respectively for the Consolidated Districts and Other Dependent Districts. The years 1926-27 and 1928-29 are representative of the years when valuations were normal, and little attention was paid to school costs. It will be noted that the Other Dependent Districts show a more decided break between 1928-29 and 1930-31 than do the Consolidated Districts. This was due to the forming of new consolidated districts. After this period not many changes are very noticeable.

The school debt of Oklahoma and of Hughes County could be reduced, almost in half, by adopting the policy of "pay as you go". The arguments for such a policy are given by
⁵
 Moehlman:

⁵ Moehlman, op. cit., p. 219.

(1) "In communities where a continuous program of capital outlay is necessary, it is impossible to distribute the burden over one or more generations; (2) the large amount of borrowing is necessary to finance such continuing program and may have serious economic results; (3) the plan of long-term borrowing, whatever its form, is expensive; (4) borrowing tends toward extravagance, in so far as financing by the deferred plan may become a question of political expediency rather than a necessity and (5) in public business, capital improvements return no revenue from which debts may be paid, as in the case of industrial enterprise, and that while private borrowing may be good business, this is not true of public borrowing."

We will need to study carefully this question, before such a plan could be put into operation.

The County Superintendent's Annual Report for 1936, shows the present value of buildings and contents to be \$256,695. The writer's knowledge of the method used in securing the data, makes the above figure an estimate because the teachers could only secure what information the local boards could give them. Many of the present boards have no information upon which to make an accurate statement.

During the years of this study, only two districts voted a building fund levy. The total expenditure from this source was \$533.75. Both districts were in the classification of Other Dependent Districts. \$124 was voted in 1932-33, and \$409.75 was voted in 1934-35.

Very few of the districts have voted bonds since the Serial Bond Law was passed, and most of the bonds are of the sinking fund type with interest rates varying from 4.8% to 7%. The interest rate 4.8% was the result of the above law. The

TABLE XXI

EXPENDITURES FROM SINKING FUND
FOR INTEREST ON BONDS, ANNUAL ACCRUAL TO
RETIRE BONDS, AND COMMISSION TO FISCAL AGENCY

| Years | Consolidated Schools | | | Other Dependent Districts | | |
|---------|----------------------|---------|-------------|---------------------------|---------|-------------|
| | Interest | Accrual | *Commission | Interest | Accrual | *Commission |
| | : | : | : to F. A. | : | : | : to F. A. |
| | : | : | : | : | : | : |
| 1926-27 | \$8434 | \$8,132 | 40.94 | 13,249 | 13,840 | 42.47 |
| 1928-29 | 8,107 | 10,013 | 25.44 | 11,810 | 12,664 | 69.46 |
| 1930-31 | 10,251 | 9,253 | 23.02 | 9,535 | 10,062 | 28.10 |
| 1932-33 | 9,549 | 8,799 | 24.68 | 8,575 | 9,729 | 24.22 |
| 1934-35 | 8,990 | 8,244 | 26.86 | 8,187 | 9,837 | 29.89 |
| 1935-36 | 8,644 | 7,794 | 24.10 | 7,756 | 8,819 | 27.23 |
| Totals | 53,975 | 52,235 | 165.04 | 59,112 | 64,951 | 221.37 |

* Commission to Fiscal Agency

longest term was for twenty-five years and the shortest period was five years.

Table XXII makes a comparison of the per capita cost of Sinking Fund expenditures based upon the enumeration. For the six years the Consolidated Districts spent a total of \$106,379 compared with \$124,283 for the Other Dependent Districts. The per capita cost for current operating expenses was \$35 in the Consolidated Districts and \$10.99 for Sinking Fund purposes or about 35% of the current cost. The expenditures were not as great for the Other Dependent Districts, the cost being \$5.52 per capita which is approximately 16½% of the current expense per capita cost.

TABLE XXII

PER CAPITA EXPENDITURE FROM
SINKING FUND, BASED ON ENUMERATION

| Years | Consolidated Schools | | | Other Dependent Districts | | |
|----------|-------------------------|------------------|---------------|---------------------------|------------------|---------------|
| | Total Ex- penditures | Enumera- tion | Per Capita | Total Ex- penditures | Enumera- tion | Per Capita |
| 1926-27 | \$16,609 | 1505 | \$11.04 | \$27,131 | 4530 | \$5.99 |
| 1928-29 | 18,146 | 1637 | 18.15 | 24,544 | 3978 | 6.17 |
| 1930-31 | 19,528 | 1563 | 12.49 | 19,625 | 3541 | 5.54 |
| 1932-33 | 18,373 | 2098 | 8.28 | 18,328 | 3485 | 5.26 |
| 1934-35 | 17,261 | 2147 | 8.04 | 18,053 | 3445 | 5.24 |
| 1935-36 | 16,462 | 2066 | 7.97 | 16,602 | 3375 | 4.91 |
| Totals | 106,379 | | | 124,283 | | |
| Averages | | | 10.99 | | | 5.52 |

Chapter VI

SUMMARY AND CONCLUSIONS

It is evident that no study is of much value unless certain opinions are formed because of the facts found in the study. In this chapter a summary of the various chapters is presented.

Valuations in the past six years have decreased to such an extent that the districts are unable to support the school program that the people are demanding. It is evident that they are demanding more of the schools because of the changes that have been made in the curriculum in the last twenty years. The people are no longer satisfied with the three 'R's'. Changes in the social and economic conditions have forced the schools to accept more and more the responsibility of producing worth while citizens. If the schools are to continue under present conditions and the valuations are to be the basis of support for the local communities, the State must continue to provide adequate funds for the operation of the schools.

From this study it is evident that the districts are making the necessary effort, which is represented by the levies made. No district has failed to vote the maximum levy in any year. Some were not forced to use the maximum levy which was voted but most of them did. In 1935-36, thirty-three of the dependent districts had to make application for additional support after receiving Primary Aid. From this it is apparent that the districts are unable to operate after making every

effort that was possible.

The survey made by the State Tax Commission in 1936, shows that the lack of ability was not due to low assessments. It may be that the assessments for all the State are too low, but if all were given the same percentage raise, Hughes County would still be far below the average.

The cost of instruction forms the major part of the budget. The comparison made shows that the cost of instruction was much more in the Other Dependent Districts than in the Consolidated Districts. While the average salary of the teachers in the Other Dependent Districts was approximately the same as for the Consolidated Districts, the percent of the total budget was greater. Other instructional costs were more for the smaller schools.

From the statistics presented, teachers are not receiving as much as the average for the United States, and the per capita cost for instruction is far below the average of the nation. This is due to the schools having more pupils per teacher than the average. The Other Dependent Districts and the Consolidated Districts had more pupils enrolled per teacher than the average for Oklahoma, and are receiving less for their work.

Per capita costs in both groups were almost 50% less than the average of the United States in 1930. If per capita costs are taken as a criteria for determining the amount every school should have, then the resources of Hughes County plus the funds received from other sources, must be supplemented still more

in order to offer the advantages other schools have if this be interpreted in terms of the money spent.

The confusion which has been caused by the adoption of the term General Maintenance, has made the problem of determining the costs of non-instructional materials very difficult to compare by any accepted school accounting procedure. An effort should be made to clarify this term or to eliminate the use of it.

The type of materials used in the construction of school buildings has caused the expenditures for the Other Dependent Districts to be far more than the expenditures for the Consolidated Districts. Most of the smaller districts are unable to secure the revenue needed to build the type of buildings which would prevent the necessity of spending so much money for repairs.

The insurance problem is one that should receive further study and again the types of buildings must be considered when discussing which group of districts are paying more or less than the other.

The transportation of pupils presents one of the most difficult problems in trying to determine the best method of apportioning funds to districts in different parts of the state. The per capita costs for transportation in the Consolidated Schools of Hughes County are higher than the basis used by the State Department of Education in apportioning funds.

The types of busses used are very poor, pointing to the fact that some standard should be set for the protection of

the children. The district should be required to meet this standard and add any additional protection that was needed and they could afford. No effort should be made to limit what the districts can do, but see that safe equipment is provided. One of the weaknesses of the private ownership of transportation equipment seems to be a lack of safe comfortable busses.

Few people realize the reason for the cost of schools. They forget the bond issue which they approved in times of prosperity, and then criticize the school officials for the cost of schools. The adoption of the Serial Bond Law has helped lower the rates of interest on large issues and should be extended to force all issues to be submitted to the low interest rate bidder, if bond issues are to continue.

BIBLIOGRAPHY

Source Materials

1. Annual Statistical Reports of the County Superintendent, 1926-27, 1928-29, 1930-31, 1932-33, 1934-35, and 1935-36 County Superintendent's Office, Holdenville, Oklahoma.
2. Biennial Reports of the State Superintendent of Public Instruction, 12th, 13th, 14th, and 15th, State Capitol, Oklahoma City, Oklahoma.
3. School Estimates, 1926-27, 1928-29, 1930-31, 1932-33, 1934-35, and 1935-36, County Clerk's Office, Holdenville, Oklahoma.
4. Annual Transportation Reports, 1926-27 and 1935-36, County Superintendent's Office, Holdenville, Oklahoma.
5. County Assessor's Abstract of Homestead Exemptions, 1937, Holdenville, Oklahoma.
6. School Laws of Oklahoma, 1935, (Harlow's Enacted by the Regular Session).

Secondary Works

1. Almack and Bursch. The Administration of Consolidated and Village Schools. Houghton Mifflin Co., 1925.
2. Engelhardt, Fred and von Borghersrode, Fred. Accounting Procedure for School Systems. Bureau of Publications, Teachers' College, Columbia University, New York, 1927.
3. Moehlman, Arthur B. Public School Finance. Rand McNally & Co., Chicago, 1927.
4. Morrison, Henry C. The Management of School Money. The University of Chicago Press, 1932.
5. Rainey, Homer P. Public School Finance. The Century Co., New York, 1929.
6. Ross, Joe S. The Development of Education in Hughes County. Unpublished Master's Thesis, Library Agricultural and Mechanical College, Stillwater, 1935.

Miscellaneous

1. A Uniform Financial Procedure for General Expenditures in Oklahoma Schools. Bulletin 135, State Department of Education, Oklahoma City, 1933.
2. Biennial Survey of Education. Department of Interior, Bureau of Education, Government Printing Office, Washington, 1929, 1931, 1933.
3. Oklahoma's Plan to Re-Organize, Re-Finance, and Redeem Its Public Schools. Bulletin Issued by the State Department of Education, Oklahoma City, 1935.
4. Statistics Pertaining to Pupil Transportation in Oklahoma, 1931-32. Bulletin No. 136, State Department of Education, Oklahoma City, 1933.
5. The School Finance Law. House Bill 6, Rules and Regulations, Bulletin 145, State Board of Education, Oklahoma City, 1937.
6. Worlds Almanac. New York World-Telegram, 1937.
7. Survey. Oklahoma Tax Commission, Map, County Assessor's Office, Holdenville, Oklahoma, 1936.

Typed by -
Lula M. McClure